

Message Text

CONFIDENTIAL

PAGE 01 RANGOO 03165 01 OF 02 010748Z
ACTION SNM-02

INFO OCT-01 ISO-00 EA-06 /009 W
-----061095 010752Z /11
R 310740Z AUG 78
FM AMEMBASSY RANGOON
TO SECSTATE WASHDC 5854
INFO AMEMBASSY MANILA

C O N F I D E N T I A L SECTION 1 OF 2 RANGOON 3165

LIMDIS

C O R R E C T E D C O P Y (TEXT - PARA 5)

STATE FOR S/NM

MANILA FOR USAID CONTRACTING OFFICER

E.O. 11652: GDS
TAGS: SNAR, BM
SUBJECT: ONTRAC III PROCUREMENT FOR NARCOTICS COCAROL PROGRAM

REFBS (A) RANGOON 3044; (B) STATE 212623 AND PREVIOUS

1. REFTEL A WAS INTENDED AS A REQUEST TO THE AUTHORIZED CONTRACTING OFFICER IN MANILA FOR GUIDANCE ON HOW BEST TO PROCEED IN ORDER TO COMPLY PROMPTLY WITH THE DEPARTMENT'S INSTRUCTIONS TO STOP ONTRAC III PROCUREMENT UNDER TERMS OF CONTRACT 1504. HELI-ORIENT HAS BEEN INSTRUCTED BY THE CONTRACTING OFFICER THAT IT IS NOT TO PROCURE ADDITIONAL UNITS UNTIL FURTHER NOTICE, AND HAS ACKNOWLEDGED SUCH INSTRUCTION.

2. WITH REGARD TO DEPARTMENT'S REQUEST FOR HALL TDY IN WASHINGTON, WE NEED HALL'S ASSISTANCE HERE THROUGHOUT SEPTEMBER. HALL MUST GO TO SINGAPORE OVER LABOR DAY WEEKEND,
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 RANGOO 03165 01 OF 02 010748Z

THEN RETURN IN CONNECTION WITH THE DELIVERY OF BELL 206 HELICOPTERS TO BURMA. THEREAFTER WE NEED HIS ASSISTANCE IN PREPARING THE FY 79 PROGRAM DOCUMENTS IN CONFORMITY WITH THE PROGRAMMING SYSTEM EXPLAINED TO US BY MR. CARR, NOW BEING APPLIED TO BURMA FOR THE FIRST TIME. WE MUST THEN CONSULT EXTENSIVELY WITH THE GUB ON THE FY 79 PROGRAM. WE ASSUME THAT HALL'S RECENT CONSULTATIONS WITH GIBSON IN BANGKOK HAVE REMOVED SOME OF

THE URGENCY OF PROPOSED TRIP AND THAT THE FOLLOWING BACKGROUND ON ONTRAC III PROCUREMENT WILL PROVIDE THE DEPARTMENT WITH SUFFICIENT INFORMATION TO PERMIT POSTPONEMENT OF HALL'S WASHINGTON TDY UNTIL LATE SEPTEMBER. ON BASIS OF THESE ASSUMPTIONS, HALL HAS BEEN INSTRUCTED TO ATTEND TO IMMEDIATE PLANNING TASKS AND TO DEFER WASHINGTON TRIP UNTIL LATE SEPTEMBER. REQUEST DEPARTMENT'S CONCURRENCE IN THIS.

3. LACK OF ACCURATE NAVIGATION IS A SIGNIFICANT HANDICAP TO EFFECTIVENESS OF THE BURMESE ANTI-NARCOTICS PROGRAM. GROUND-BASED AIR NAVIGATION EQUIPMENT IN BURMA IS EITHER NON-EXISTENT OR UNRELIABLE. THIS WEAKNESS IS COMPOUNDED DURING PERIODS OF LOW VISIBILITY COMMON DURING THE DRY SEASON (FROM SLASH AND BURN AGRICULTURE RESULTING IN SMOKE AND HAZE) AND THE MONSOON (FROM EXTENSIVE CLOUD COVER). TROOP STAGING FOR MOHEIN IV WAS, FOR EXAMPLE, SIGNIFICANTLY HAMPERED AND THE CONDUCT OF THE OPERATION WAS LESS EFFECTIVE THAN IT COULD HAVE BEEN DUE TO POOR VISIBILITY, WHICH PRECLUDED THE USE OF THE FH-227 AIRCRAFT. TROOPS COULD BE MOVED ONLY INEFFICIENTLY BY USE OF THE BELL 205A HELICOPTERS, WHICH WERE ABLE TO FOLLOW ROADS IN ORDER TO NAVIGATE. POOR VISIBILITY PROBABLY WAS A FACTOR IN NOT USING THE BELL 205A'S MORE EFFECTIVELY IN MOVING THE COMBAT TROOPS INTO THE OPERATIONAL AREA.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 RANGOO 03165 01 OF 02 010748Z

4. ONTRAC III PROCUREMENT WAS AN ATTEMPT TO OVERCOME THE LACK OF ON-THE-GROUND BURMESE AIR NAVIGATION EQUIPMENT. THE ONTRAC III IS A VERY LOW FREQUENCY (VLF)/OMEGA RECEIVER WHICH RECEIVES SIGNALS FROM 18 TRANSMITTERS (LOCATED THROUGHOUT THE WORLD). IT AUTOMATICALLY PROCESSES THE STRONGEST OF THESE SIGNALS AND THROUGH AUTOMATIC TRIANGULATION DISPLAYS THE EXACT POSITION OF THE AIRCRAFT OVER THE GROUND. ALTHOUGH THE ERROR FACTOR CLAIMED BY THE MANUFACTURER IS TWO TENTHS OF A NAUTICAL MILE PER HOUR OF FLIGHT, TESTS CONDUCTED IN BURMA SHOWED AN ALMOST NIL MARGIN OF ERROR. BEFORE SELECTING ONTRAC III SYSTEM AS MOST SUITABLE, THE BAF CONDUCTED EXTENSIVE TESTS WITH BOTH IT AND THE OMEGA GNS 500 SYSTEM. THE ONTRAC WAS CHOSEN BECAUSE OF ITS GREATER ACCURACY AND ITS MEMORY UNIT WHICH OBTVIATES THE NEED FOR RESETTING THE EQUIPMENT FOR KNOWN DESTINATIONS. THE ONTRAC WAS ALSO \$8,000 LESS COSTLY PER UNIT.

5. PROCUREMENT OF THE ONTRAC III UNITS WAS INITIATED UNDER THE HELI-ORIENT CONTRACT BY THE BURMESE CONTRACTING OFFICER'S REPRESENTATIVE BASED UPON THE ASSUMPTION THAT THE ORDERING OF SUCH AVIONICS EQUIPMENT WAS PERMITTED AS AN INTEGRAL PART OF THE AIRCRAFT NAVIGATIONAL PACKAGE. ON THE BASIS OF PREVIOUSLY

AUTHORIZED TESTING OF ONTRAC III UNITS OBTAINED FROM THE MEXICAN PROGRAM, WE ASSUMED THAT--HAD WE KNOWN FROM THE START ITS UTILITY--ONTRAC III WOULD HAVE BEEN ORDERED WITH US-SUPPLIED AIRCRAFT. MOREOVER, WE CONSIDERED THAT ONTRAC III PROCUREMENT WAS AUTHORIZED UNDER CONTRACT 1504 (HELI-ORIENT) AND THAT FURTHER AUTHORIZATION BY DEPARTMENT WAS NOT REQUIRED. ON THE BASIS OF DEPARTMENT'S LATEST INSTRUCTIONS, AMPLIFIED BY GIBSON-HALL CONVERSATIONS IN BANGKOK, WE NOW UNDERSTAND THAT COSTLY ADD-ON-ITEMS--SUCH AS ONTRAC III--MUST BE AUTHORIZED BY WASHIGTO. WE ARE CONFIDENT THAT FUTURE MISUNDERSTANDINGS OF THIS NATURE WILL NOT OCCUR AND CONTINUE TO HOPE THAT THE DEPARTMENT WILL APPROVE PROCUREMENT OF THE 21 ADDITIONAL UNITS IN FY 79.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 RANGOO 03165 02 OF 02 010440Z
ACTION SNM-02

INFO OCT-01 ISO-00 EA-06 /009 W
-----058937 010507Z /12

R 310740Z AUG 78
FM AMEMBASSY RANGOON
TO SECSTATE WASHDC 5855
INFO AMEMBASSY MANILA

C O N F I D E N T I A L SECTION 2 OF 2 RANGOON 3165

LIMDIS

STATE FOR S/NM

MANILA FOR USAID CONTRACTING OFFICER

6. THE COST OVERRUNS RECENTLY AVERTED ON THE HELI-ORIENT (1504) AND E-SYSTEMS (1501) CONTRACTS CAME ABOUT FOR A VARIETY OF REASONS. FOR REASONS UNKNOWN, COPIES OF BURMESE PURCHASE ORDERS WERE NOT BEING PROVIDED BY GUB TO THE EMBASSY, ALTHOUGH THE BAF WAS SENDING COPIES TO THE PEOPLE'S POLICE FORCE FOR TRANSMITTAL TO US. WE WERE, THEREFORE, UNABLE TO MONITOR ORDERS EXCEPT THROUGH CONTRACTOR REPORTS, WHICH WERE NOT RECEIVED UNTIL 45 DAYS AFTER ORDERS WERE PLACED. MOREOVER, CONTRACT REPORTS FROM E-SYSTEMS GAVE ONLY DOLLAR AMOUNTS AND NOT DETAILS AS TO TYPES AND QUANTITIES OF EQUIPMENT ORDERED. AS A RESULT WE WERE NOT ABLE TO MONITOR THE CONTRACTS CLOSELY. THE SITUATION WAS COMPLICATED BY OUR BEING UNAWARE OF THE BURMESE REQUEST FOR F-27 IRAN, THE 3 DART

ENGINE OVERHAULS, OR THE \$203,000 IN FH-227 SPARES UNTIL
THE SOHLIN-HALL VISIT TO TAINAN IN MID-JUNE.

7. FORTUNATELY, CONTRACTS ARE NOT UNDERFUNDED AT THIS TIME.
THERE REMAINS \$85,000 UNEXPENDED IN CONTRACT 492-1501
(E-SYSTEMS), \$375,000 ON CONTRACT 492-1504 (HELI-ORIENT).
AN ADDITIONAL \$400,000 REMAINS WHICH HAS NOT BEEN COMMITTED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 RANGOO 03165 02 OF 02 010440Z

TO EITHER CONTRACT. THE FUNDING SITUATION HAS BEEN
DISCUSSED WITH THE BAF WHO PROMISE NO FURTHER MAJOR ORDERS
WILL BE PLACED DURING THIS FY. ADDITIONALLY, THE BAF IS NOW
IN THE PROCESS OF PRIORITIZING ITS NEEDS FOR THE REMAINDER
OF FY 78 IN LIGHT OF AVAILABLE FUNDS.

8. WE HAVE TAKEN CORRECTIVE MEASURES DESIGNED TO AVOID
FUTURE PROBLEMS WITH CONTRACT FUNDING. THE BAF'S CHIEF TECHNICAL
OFFICER HAS PROMISED TO PROVIDE ON A TIMELY BASIS COPIES OF
ALL PURCHASE ORDERS AND THE MINISTER OF HOME AND RELIGIOUS
AFFAIRS HAS ASSURED US THAT THE GUB WILL SEE THAT WE
RECEIVE THEM. THE BAF UNDERSTANDS THAT IT WILL NOT ORDER
MAJOR ADD-ON ITEMS SUCH AS ONTRAC III WITHOUT PRIOR
CONSULTATION WITH THE EMBASSY. WE HAVE OBTAINED AGREEMENT
FROM BOTH CONTRACTORS TO 1) NOTIFY HALL IMMEDIATELY FOR
CONFIRMATION PRIOR TO ACTUALLY PLACING ORDERS FROM THE BAF FOR
ITEMS COSTING OVER \$50,00, AND 2) TO PROVIDE EMBASSY WITH FULL
MONTHLY REPORTIN ON ALL ITEMS ORDERED BY THE BAF, INCLUDING
FULL DETAILS OF TYPE AND QUANTITIES INVOLVED. THIS REPORTING
WILL BE ACCORDING TO A FORMAT WHICH WE AND CONTRACTORS HAVE
DEvised.

9. WE APPRECIATE FULLY THE DEPARTMENT'S CONCERN AND THE
TIMELINESS OF THE RECENT SOHLIN VISIT. WE ARE CONFIDENT
THAT CORRECTIVE MEASURES ALREADY TAKEN IN THE DEPARTMENT
AND THE FIELD WILL PREVENT THE RECURRENCE OF THE
SITUATIONS DESCRIBED ABOVE.
CORY

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROCUREMENT, EQUIPMENT, DRUG CONTROL, NARCOTICS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 31 aug 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978RANGOO03165
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780363-0170, D780357-0229
Format: TEL
From: RANGOON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978083/aaaaacib.tel
Line Count: 211
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 941ca45c-c288-dd11-92da-001cc4696bcc
Office: ACTION SNM
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: 78 RANGOON 3044, 78 STATE 212623
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1638618
Secure: OPEN
Status: NATIVE
Subject: ONTRAC III PROCUREMENT FOR NARCOTICS COCAROL PROGRAM
TAGS: SNAR, BM
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/941ca45c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014